

**STATE OF MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2007
(In Thousands of Dollars)**

	Business-Type Activities – Enterprise Funds					
	Major Funds				Totals	Governmental Activities – Internal Service Funds
	State Lottery	Unemployment Compensation	Petroleum Storage Tank Insurance	Non-Major Funds	June 30, 2007	
Cash Flows from Operating Activities:						
Receipts from Customers and Users	\$ 935,347	\$ 571,214	\$ 24,915	\$ 40,988	\$ 1,572,464	\$ 787,535
Payments to Suppliers	(75,850)	---	(3,816)	(12,262)	(91,928)	(145,107)
Payments to Employees	(9,543)	---	(1,096)	(52,539)	(63,178)	(52,722)
Payments Made for Program Expense	(600,631)	(683,571)	(12,165)	(211)	(1,296,578)	(547,244)
Other Receipts (Payments)	(6,770)	---	(24)	(241)	(7,035)	12,213
Net Cash Provided (Used) by Operating Activities	242,553	(112,357)	7,814	(24,265)	113,745	54,675
Cash Flows from Non-Capital Financing Activities:						
Loans Made to Outside Entities	---	---	---	14	14	---
Due to/from Other Funds	(2,623)	---	2	(583)	(3,204)	13,845
Contributions and Intergovernmental	---	15,059	---	29,440	44,499	18
Transfers to/from Other Funds	(257,201)	---	---	514	(256,687)	119,986
Other Receipts (Expenses)	10,350	---	---	---	10,350	---
Net Cash Provided (Used) by Non-Capital Financing Activities	(249,474)	15,059	2	29,385	(205,028)	133,849
Cash Flows from Capital and Related Financing Activities:						
Interest Expense	---	---	---	---	---	(1,050)
Purchases and Construction of Capital Assets	(1,092)	---	(2)	(3,560)	(4,654)	(31,992)
Bonds and Notes Payable	---	---	---	---	---	(142)
Capital Lease Downpayment/Obligations	---	---	---	---	---	(1,260)
Disposal of Capital Assets	54	---	---	---	54	---
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,038)	---	(2)	(3,560)	(4,600)	(34,444)
Cash Flows from Investing Activities:						
Proceeds from Investment Maturities	---	---	---	10	10	846,052
Purchase of Investments	4,956	---	(18,845)	(3,286)	(17,175)	(928,510)
Interest and Dividends Received	1,361	114	3,316	476	5,267	16,334
Other Receipts	---	---	---	1	1	777
Net Cash Provided (Used) by Investing Activities	6,317	114	(15,529)	(2,799)	(11,897)	(65,347)
Net Increase (Decrease) in Cash	(1,642)	(97,184)	(7,715)	(1,239)	(107,780)	88,733
Cash and Cash Equivalents, Beginning of Year	21,956	188,196	22,514	3,849	236,515	138,222
Cash and Cash Equivalents, End of Year	\$ 20,314	\$ 91,012	\$ 14,799	\$ 2,610	\$ 128,735	\$ 226,955
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	\$ 246,118	\$ 128,578	\$ 8,838	\$ (28,605)	\$ 354,929	\$ 49,982
Depreciation Expense	750	---	11	2,773	3,534	18,150
Changes in Assets and Liabilities:						
Accounts Receivable	1,076	(2,326)	(149)	175	(1,224)	(21,880)
Inventories	---	---	---	221	221	(1,650)
Prepaid Items	75	---	---	---	75	(6)
Accounts Payable	81	(238,609)	8	489	(238,031)	1,805
Accrued Payroll	22	---	1	202	225	419
Unearned Revenue	---	---	(27)	(11)	(38)	558
Grand Prize Winner Liability	(5,608)	---	---	---	(5,608)	---
Claims Liability	---	---	(873)	---	(873)	6,050
Compensated Absences	39	---	5	492	536	1,247
Net Cash Provided (Used) by Operating Activities	\$ 242,553	\$ (112,357)	\$ 7,814	\$ (24,264)	\$ 113,746	\$ 54,675

Non-Cash Financing Activities:

During fiscal year 2007, capital lease agreements were entered into for \$11,276,000 in the internal service funds.

The notes to the financial statements are an integral part of this statement.